



June 18, 2019

Firestone Finance Authority
151 Grant Ave.
Firestone, CO 80520

Via: Certified Mail #

7013 2250 0000 7017 8166

Re: Wandell 6-8-7, Wandell 4-6-7, Wandell 34-7
Kugel 31-18, Kugel 41-18, Kugel 2-18, Kugel 42-18
Miller 12-17
Well Plug & Abandon Operations
Township 2 North, Range 67 West, 6th P.M.
Section 18: NE4 Outlot 2 Firestone Central Park 1st Filing Minor Sub.
a/k/a/ Weld County Parcel #: 131118101004
Weld County, Colorado

To Whom It May Concern:

In accordance with Rule 305.f.(6) of the Colorado Oil & Gas Conservation Commission ("COGCC"), this letter is to inform you that Crestone Peak Resources ("Crestone") intends to perform oil and gas operations to plug and abandon ("P&A") the above-mentioned wellbore located on your property within the next 60 days. The P&A operations should take appx. 4 days per well to complete. Appx. 5 days prior to the rig arriving on location there may be a crew on location preparing the land for the rig (scraping, leveling, installing any necessary temporary fencing, mat boarding, etc.) We will be using an area of approximately 150' around each wellhead during these operations. We will be removing any surface equipment and pipelines related to the wells. Included in this notice is the Reclamation Plan for these locations. Please feel free to contact me with any questions regarding our operations and/or Reclamation Plan. (303) 774-3982 or bob.bresnahan@crestonepr.com.

We appreciate your attention to and consideration of this notice.

Respectfully,

Bob Bresnahan
Landman Advisor, RPL
Crestone Peak Resources

Enclosures:

Site Diagram, COGCC Informational Brochure/Reclamation Rules (Rule 1004), Reclamation Plan

10188 East I-25 Frontage Road
Firestone, Colorado 80504
Direct: 303.774.3982 Email: bob.bresnahan@crestonepr.com
www.crestonepeakresources.com

SITE DIAGRAM





INFORMATION FOR SURFACE OWNERS

This document summarizes Colorado regulations pertaining to surface owner notification and consultation. It also covers the reclamation of land disturbed by oil and gas activity.

These regulations are administered by the Colorado Oil and Gas Conservation Commission (COGCC) as part of its mission to protect public health, safety, and welfare, including the environment and wildlife resources.

Surface Owner Rights in Colorado

1. Oil and gas companies (operators) must provide surface owners with details of the oil and gas activities proposed for their property.
2. Surface owner notification is mandated; communication and consultation are encouraged. Surface owners may waive these requirements.
3. Surface Use Agreements (SUA) are private contracts that address the operator's oil and gas activities on the surface owner's property. The COGCC has no jurisdiction or authority over terms of an SUA.
4. Surface owners may request an extension of the public comment period for applications.
5. Interim and final reclamation are required by the COGCC. Timing may be flexible to integrate agricultural operations. Future land use may be considered through a waiver and variance process.
6. Surface owners may request a hearing before the Commission to protest staff decisions on permit approval, complaint resolution, or variance requests based on alleged non-compliance with COGCC rules or mission.

Consultation

The operator is required to consult in good faith with the surface owner and provide details about the location of roads, production facilities, and well sites, or other oil and gas operations during planning stages. Consultation in good faith is also required to prepare for reclamation and abandonment (Rule 306).

COGCC's Onsite Policy provides an opportunity in certain circumstances for the surface owner to request that the COGCC and Local Government Designee conduct an onsite visit if consultation between the operator and surface owner does not resolve issues related to planned oil and gas activities. This opportunity is limited to activity on lands where the surface owner did not execute a mineral lease and is not party to a surface use agreement. Consultation is limited to items under COGCC jurisdiction; financial and other concerns cannot be addressed.

This process may result in conditions of approval attached to the permit to minimize the potential loss of crops or damage to land or to address potential health, safety, welfare or environmental impacts.

Informational signs must be placed at the intersection of lease and public roads at the time of the Statutory Notice. Permanent signs providing operator and emergency contact information must be in place at all wells and tank batteries during the life of the facility (Rules 210.b and 305.g).

Notification

Operators are required to inform the surface owner about when and where oil and gas operations will occur. These notifications promote communication between owners and operators so that a surface owner can coordinate their activities with permitted oil and gas operations.

In certain circumstances, operators must send a Pre-Application Notice to surface owners 30 days before submitting an application to the COGCC. This notice should include a general description of the project, an opportunity to meet with the operator and appropriate contact information (Rule 305.a).

An Oil and Gas Location Assessment (OGLA) Notice is sent by the operator to the surface owner when the application has been posted on the COGCC website for public comment. This notice provides additional details about planned operations and an opportunity for consultation (Rule 305.c).

The Statutory Notice to Surface Owners must be provided to the surface owner at least 30 days notice before commencing operations with heavy equipment. A proposed schedule, detailed site drawing and opportunity for consultation with the operator will be included (Rule 305.f).

After a well has been drilled, a Notice of Subsequent Well Operations for certain activities with heavy equipment is required at least seven days in advance (Rule 305.f.4).

Surface Tenant Notification is the responsibility of the surface owner. If the surface owner has designated an agent (such as a tenant), that party will receive all notices (Rules 305.c.3 and 305.c.4).

Site: Wandell 6-8-7, 4-6-7, 34-7
Kugel 31-18, 41-18, 2-18, 42-18
Miller 12-17

Legal: 2N, R67W, Sec. 18: NE4

Surface Owner name/contact: Town of Firestone –

Marty Ostholtzoff (720-508-4125 mostholtzoff@firestoneco.gov)

and/or Todd Bjerkaas (303-531-6276 tbjerkaas@firestoneco.gov).

Landman: Bob Bresnahan

Site Plan

The reclaim plan for the grassland/pasture is below:

1. Plug wells.
2. Remove all Crestone owned equipment from the site.
3. Cut, clean, and remove all flowlines and/or pipelines per COGCC rules, regulations, and guidelines.
4. Request removal of the meter house from the site (owned by Kerr McGee Gathering).
5. Remove road base from the pads and access roads as noted on the attached map.
6. Deep rip 18 inches to un-compact the sub soil.
7. Import quality top soil to place of disturbed area 4-6 inches. Disc the topsoil in place.
8. Apply Biosol fertilizer at 1000 lbs/ acre.
9. Apply Mycorrhizhia at recommended rates.
10. Prepare seed bed for planting of seed ¼ to ½ inch deep.
11. Seed with Sharps Dry Land Pasture mix or similar.
12. Apply hydromulch or straw crimp at recommend rates.

Please contact BOB.BRESNAHAN@CRESTONEPR.COM to suggest changes to this document.

Map:



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